LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 8008 **DATE PREPARED:** Mar 5, 1999
BILL NUMBER: HB 1952 **BILL AMENDED:** Mar 4, 1999

SUBJECT: Smart growth land conservation.

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FUNDS AFFECTED: X GENERAL **IMPACT:** State & Local
X DEDICATED
X FEDERAL

Summary of Legislation: (Amended) This bill establishes the Indiana Smart Growth Council. The bill also establishes the Hoosier Legacy Fund to provide matching funds to eligible projects under the United States Department of Agriculture's Farmland Preservation and Forest Legacy Programs. Certain state agencies may develop smart growth policies that: (1) promote the conservation of natural resources; (2) promote the revitalization of urban areas; (3) promote the cost effective expenditure of state funds to support growth related projects in areas already served by water and sewer infrastructure; and (4) minimize the conversion of agricultural and forest lands in unincorporated areas to industrial, commercial, or residential uses.

Effective Date: (Amended) July 1, 1999.

Explanation of State Expenditures: (Revised) This bill establishes the Indiana Smart Growth Council, which consists of 16 members. Each member is entitled to receive the same per diem, mileage, and travel allowances paid to individuals who serve as legislative and lay members of interim study committees established by the Legislative Council. The impact of this provision will depend on the number of meetings held by the Council, the mileage required, per diem, and related expenses. Currently, legislative members receive per diem of $112 and lay members receive $50. (State employees do not receive per diem.) All members are entitled to a travel reimbursement of $.28 per mile. The bill does not specify which state entity will be responsible for paying for the costs of the Council.

The bill also establishes the Hoosier Legacy Fund to provide matching funds to eligible projects under the United States Department of Agriculture's Farmland Preservation and Forest Legacy Programs. The Department of Natural Resources is to administer the fund. The expenses for administering the fund are to be paid from money in the fund.

Certain state agencies may develop smart growth policies that: (1) promote the conservation of natural resources; (2) promote the revitalization of urban areas; (3) promote the cost effective expenditure of state funds to support growth related projects in areas already served by water and sewer infrastructure; and (4) minimize the conversion of agricultural and forest lands in unincorporated areas to industrial, commercial, or residential uses. These policies could affect state and local revenues and expenditures. The impact is indeterminable.

Explanation of State Revenues: (Revised) The Hoosier Legacy Fund consists of appropriations made by the General Assembly, gifts and donations, federal grants, or money from other sources. This provision will allow the fund to also accept revenues from nonstate sources. The Treasurer of State is to invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Money in the fund at the end of the fiscal year does not revert to the State General Fund.

Explanation of Local Expenditures: (Revised) Local units may experience a reduction in expenditures for technical and planning assistance if they receive these services from the Council.

Also, see Explanation of State Expenditures above.

Explanation of Local Revenues: (Revised) See Explanation of State Expenditures above.

State Agencies Affected: Department of Natural Resources; Treasurer.

Local Agencies Affected: Local units that might receive assistance.

Information Sources: